

HAPPY NEW YEAR FOR CONS. STOCKHOLDERS

Oil Certain Near Goldfield In the Salt Marsh Well

At 1800 Feet Well Penetrates Hot Asphaltum and Black Sulphur, Sure Forerunner of Oil

Unless all signs fail, and in this case there seems to be but little chance that they will, oil will soon be spouting from the well that is being bored by the Nevada-Bay State Oil Co. on the Salt Marsh near Blair. J. H. Miller, who is in charge of the work, was in Goldfield today and reports that at a depth of 1,805 feet the drill has entered asphaltum and black sulphur, and when the fifteen-gallon bailer comes up at least one-third of the contents is of this material, the rest being water.

The asphaltum is so hot that it emits a black smoke and gas when it is dumped and comes in contact with the atmosphere, and it burns freely when exposed to a flame.

The drill penetrated a layer of blue shale and clay for ninety feet just before entering the asphaltum and sulphur, and experienced oil men declare that the asphaltum is usually the capping of the oil itself. Mr. Miller now feels more certain than ever that the oil zone is not far distant, and declares his belief that the well will soon be spouting the precious liquid. Tests on small quantities of the oil that have been struck at various times in the progress of the drilling show it to have a high paraffine base, and of unusually good quality.

More or less trouble has recently been experienced in drilling through the shale, and progress has been slow. At the present time the drill is temporarily hung up by reason of the pipe pulling apart, about 215 feet down the hole, and it will be necessary to connection for the casing from Los Angeles before work is resumed. On account of the difficulty of drilling the shale, Mr. Miller has lately been churning it out by raising and dropping the casing, which weighs fifteen tons. This weight, added to the suction, finally resulted in pulling the casing apart, and temporarily closing down the work.

When this well, the first to be drilled in Nevada, finally becomes a producer, as it now seems more probable than ever that it soon will, there will be an excitement in this region that will rival Beaumont, Coalinga, and other noted oil fields, and start a new industry for Nevada that will rival its mining interests.

FLORENCE MILL HANDLES 4,056 TONS IN OCTOBER

Official figures from the Florence company show that the mill treated 4056 tons of ore during the month of October, or an average of 131 tons per day, but the exact value of the bullion output has not yet been determined. At an average of \$27 per ton, this would bring the October production close to \$110,000. The tonnage handled was somewhat smaller than had been anticipated, but this was due to inefficiency of the old crusher which had outlived the best part of its usefulness, and which has now been replaced by a gyratory crusher of greater capacity. Now that the new machine is in operation, much of the burden of crushing will be taken off of the stamps and the average tonnage of the mill should from now on exceed 150 tons per day.

WHY ELY-GOLDFIELD ROAD IS DELAYED

Special to The News:
NEW YORK, Nov. 17.—The beginning of the construction work on the Ely-Goldfield railway, is being held back by the absence of C. B. Zabriskie, who has charge of the New York end of the project and a recent accident to John Ryan, superintendent of the Tonopah & Tidewater railroad, who has been looking after the surveys. Mr. Zabriskie after an attack of illness went to Cuba some weeks ago for his health and will be absent about three weeks longer. Mr. Ryan is in a hospital at Oakland, Cal., with a broken arm and a broken leg.

TWENTY CENTS ADDED TO QUARTER'S DISBURSEMENT

The regular quarterly meeting of the directors of the Goldfield Consolidated Mines company was held at the offices of the company in Goldfield, November 18, 1909. The regular quarterly dividend of thirty cents per share was declared payable January 31, 1910, to stockholders of record on December 31, 1909.

The fiscal year of the company closed on October 31st last. The earnings for the year were largely in excess of dividend requirements and it was decided to declare an extra dividend of twenty cents per share also payable on January 31, 1910, to stockholders of record on December 31, 1909. After the payment of this dividend the company will have cash in its treasury in excess of one million dollars.

Mr. J. H. Mackenzie has resigned as general manager to take effect January 1, 1910. Mr. J. R. Finlay has been elected his successor. Mr. Mackenzie will remain with the company in the capacity of consulting engineer and will also remain on the board of directors.

A. H. HOWE, Secretary and Treasurer.

An extra dividend of twenty cents a share, in addition to the regular quarterly dividend of thirty cents per share, was declared today by the directors of the Goldfield Consolidated Mines company, payable January 31 to stockholders of record December 31. The extra distribution is approximately \$712,000, which added to the regular dividend of \$1,068,000 makes a total of \$1,780,000 that will be disbursed to Consolidated stockholders January 31. The grand total of Consolidated dividends on that date will be \$5,687,000.

Announcement was made that General Manager J. H. Mackenzie has resigned, and will be succeeded on January 1st by Mr. J. R. Finlay, formerly general manager of the Portland Gold Mining company in Cripple Creek, but during the last three years being engaged in private business and examination work, with headquarters in New York.

The extra dividend reflects in a positive way the splendid physical condition of the property, and emphasizes the oft-repeated assertion that this is the greatest gold mine ever discovered in the history of the world. King Solomon, with all the reputed wealth of his mines in the hey-day of his glory, would turn green with envy if he were on earth today.

Critics of Consolidated and of Goldfield will find but little consolation for themselves in the cold statement of fact regarding the earnings and profits of this great property. And when it is remembered that this extra dividend was earned with the Combination mill out of commission since Sept. 25, it makes the argument still stronger and more convincing. It takes hold with a grip that can not be shaken off.

If the Consolidated can do this under present conditions, it is evident that when the Chilian mills are installed in the big mill within the next thirty days, thereby raising the daily capacity from about 680 to 1,000 tons per day, there will soon be something unprecedented in the way of gold production that will make the world sit up for many days and nights taking notice.

While much has been said during the past few months regarding the growing greatness of the discoveries in the Consolidated, and some of the statements were so strong that the public hesitated to accept them as the truth, they have been entirely in keeping with the facts, and usually under the known actual conditions.

The Hayes-Monnette, Frances-Mohawk, Hampton stope and other bonanza discoveries have been overshadowed by the riches that have within the last three months been disclosed in the lateral workings from the Clermont shaft, and as has been asserted before, it has become almost an embarrassment of wealth and somewhat of a problem to keep the average grade of the ore down to what is best suited for treatment at the mill.

There were present at the meeting today, George Wingfield, president; J. D. Hubbard of Chicago, vice president; Senator W. C. Ralston of San Francisco, director; J. H. Mackenzie, general manager and director, and A. H. Howe, secretary, treasurer and director.

The meeting was called to order shortly after 10 o'clock, and the proceedings gave cause for many felicitations upon the excellent condition of the property, and the great work that has been accomplished by General Manager Mackenzie and General Superintendent H. P. Henderson and their staff.

Many Leases Doing Extensive Work Throughout the Goldfield District

Among the leasing shafts that are now down over 600 feet in territory of undoubted merit are Grizzly Bear, on the Grizzly Bear claim of the Goldfield Consolidated estate, 680 feet; the Goldfield Annex lease on the Poleverde claim of the Jumbo Extension company, 608 feet; the Garrison lease on the Atlanta, 625 feet; the Cherokee lease, 640 feet, and the Maloney lease, also on the Atlanta, 670 feet.

With the exception of the Cherokee shaft, from the bottom of which a crosscut is now being driven to reach the vein that was encountered at a depth of 540 feet, all of these shafts are being sunk for greater depth. A contract was closed a week ago by W. P. Garrison when he was here from Pasadena for sinking the Garrison or precious Metals shaft 125 feet deeper, to attain a depth of 750 feet before undertaking any more lateral work. The bottom of the shaft is now in a very promising ledge of dacite and quartz, highly mineralized with iron sulphides, and carrying small values in gold. The lease is equipped with a 2 1/2-h. p. hoist, and the contractors are pushing the work rapidly. The shaft is close to the contact of the andesite and dacite, but has been entirely in dacite for the last 75 feet.

On the Cherokee lease the crosscut at the 640 level has been driven 135 feet, and it is now believed it will take but a few feet further to cut the vein that is being sought. About ten days ago a ledge that underlies the one that showed two feet of \$18 ore at 540 feet was encountered, and it was at first thought this was the much desired vein, but it proved otherwise, and the crosscut is being extended.

The shaft on the Maloney or Big Florence lease is down 670 feet, and Manager Maloney has now started to sink it to 750 feet, which is about the limit of the hoisting capacity of his

A day spent around the district among the leasers shows that Goldfield is steadily making progress in a mining way outside of the big properties that are constantly adding to the millions that this camp has produced. New gallows frames have recently gone up on shafts that had been abandoned for months or years, and the dull whir of hoisting plants that have been idle for various periods is again heard through the district.

In every direction there is an activity that betokens a return of confidence in the territory contiguous to and outside of the proven ore zone, and where "gophering" and shallow workings have brought failure in the past, there is a better understanding of the necessity of deep mining, and there is a determination on the part of leasers to operate along those lines and bring success out of the mistakes of the early days.

There are now a number of shafts in operation by leasers and leasing companies that have attained a depth of more than 600 feet and which are projected to be sent down to 750 or 1000 feet as rapidly as possible. Developments in the lateral workings from the Clermont shaft at vertical depths of 730 and 860 feet, and 1250 and 1450 feet on the dip of the vein, with the added assurance that large and rich ore bodies will soon be disclosed on the 1000 level, have entirely changed the impressions that formerly prevailed regarding the mineral zones of Goldfield, and demonstrated that while many bonanzas and immense bodies of milling ore have been opened from surface to depths of 300, 400 and 600 feet, deep mining is the key that will eventually unlock the greatest treasure vaults of this district.

present equipment, and will then do extensive crosscutting at that depth. On the 350 level a crosscut is being driven toward the Clermont vein, and is developing some heretofore unexplored territory on the Atlanta.

J. A. Houlihan is now erecting a hoist on the old Imperial lease on the Atlanta. When this is in operation, the water will be pulled from the shaft and drifting started from the present bottom of the shaft, 375 feet deep.

Crosscutting for the St. Ives vein is

in progress on the Matilda and Century leases on the Atlanta, which are being worked through the same shaft, under the management of Mr. Houlihan. This shaft is 400 feet deep. The LaMance lease is temporarily closed down pending the installation of a new hoist to replace the 18-h. p. equipment that has been used up to the present time. This shaft is 410 feet deep, and when the new equipment is in place, sinking will be resumed.

One of the most favorably located

leases in the camp and which seems to have almost a cinch on getting a good body of ore, is the Grizzly Bear, located almost within a stone's throw south of the Clermont shaft. A depth of 675 feet has been attained, and stations have recently been cut for starting lateral work above this depth, but sinking has now been resumed, and will be continued indefinitely in the search for an ore shoot that is believed to traverse this territory. Developments in the Clermont shaft workings strengthen the chances for ore in this lease.

Another very promising proposition that is being energetically sent down to depth is the Goldfield Annex lease on the Poleverde claim of the Jumbo Extension company. This is also close to the Clermont shaft, and has more than a fighting chance to connect with the extension of some of the rich ore bodies that have produced millions on adjacent territory. The management realizes that it will take considerable depth to reach the ore zone, and work is being directed along those lines. The shaft has passed the 600 mark, and is headed for 1,000. It is one of the best shafts in the district, being three compartment and timbered in the best possible manner.

There is a revival of interest on the St. Ives claim, where two leases are now in operation, and both of them have a very promising showing of ore. The old Codd lease is being operated under sub-lease by Hatton and Sullivan, and more or less ore is being saved in the progress of development that is being carried on through the old shaft, which is equipped with a good hoisting plant.

Billy McKay, Joe Ford and Joe Irving are operating the old St. Ives workings, and have considerable ore in sight in several places where they are prospecting and stopping. Under the

(Continued on Page 5.)

SALE OF THE LUCKY BOY LOOKS LIKE A SURE GO

J. J. McCarthy, manager of the Silver Moon lease on the Mountain Queen at Lucky Boy, which endlines against the old Hubbard lease on the west, is down from the camp for a few days. He says that while it is almost impossible to get any inside information on the deal now pending for the purchase of the Lucky Boy group by the United States Smelting company of Salt Lake City, it seems certain that the deal will go through at a price in excess of \$1,500,000.

The big property is looking better than ever, and according to Mr. McCarthy the west heading of the 550 level is showing four and a half feet of ore, which samples 456 ounces silver across the entire width, and picked samples assay better than \$3,000. The east heading of this level is also showing fine ore, and the same condition prevails throughout the mine, east and west on various levels, and through the stopes. On the 400 level the ore has been proven up to within fifteen feet of the Silver Moon lease, and is still showing in the heading.

The force of men on the Silver Moon lease is engaged in timbering the shaft, which is down 200 feet, and the work will be finished to the bottom within a few days, when the crosscut will be sent ahead to tap the main vein which comes in from the Hubbard lease workings that are now being operated by the Alamo or parent company. The Silver Moon shaft is within about twenty feet of the dividing line between the Hubbard ground, and McCarthy is confident of catching a fine body of ore.

Mitchell & Fairfield are steadily continuing development on their lease adjoining the Hubbard ground on the east, and are sacking more or less ore each day.

The McCormack or Broken Hills lease is keeping up a good production and making steady shipments of a fine grade of ore. The winze from the 216 level is going down on a body of ore that ranged from two to four feet

wide in the drift, and it has been decided to soon resume sinking the shaft and send it down to the 500-foot point as soon as possible. Power drills will be used in this work, power to be furnished from the 100-h. p. compressor that was installed by Mitchell & Fairfield.

J. R. FINLAY THE NEW CONSOLIDATED MANAGER

Announcement of the resignation of General Manager Mackenzie has not been unexpected by his friends for some time, and those who were in his confidence have known that he desired to be relieved of the burden of active management so that he might have opportunity to give closer attention to private interests.

Mr. J. R. Finlay, who will be Mr. Mackenzie's successor as general manager of the Consolidated, is one of the best known mining men in the country. He is about forty years of age, and somewhat of the same type as Mr. Mackenzie. He graduated at Harvard in 1891. From 1891 to 1899 he occupied engineering and executive positions in the Lake Superior iron mines; from 1900 to 1902 he was with the Finch-Campbell and Bunker Hill-Sullivan properties in the Coeur d'Alene; was general manager of the Portland Gold Mining company at Cripple Creek in 1902-03; was with the Guggenheim Exploration company in southeastern Missouri in 1904, going to New York in 1905, where he has since been engaged in private business and examination work, with headquarters in that city. Mr. Finlay has been in Goldfield a couple of days, but will return to New York temporarily, and then return to Goldfield about the first of the year to assume the management of the Consolidated.